Name of Student

Name of Professor

Name of Class

Day Month Year

Analytical Paper V11:

Introduction:

Nike is an internationally recognized brand that is sold in almost every part of the world. Its journey has been a hard one with lawsuits and incidences of bankruptcies. The creator of Nike, Phil Knight is an inspiration and his path of forming this international giant is one for new entrepreneurs to take lessons from. The thing with Phil Knight was that he really believed in running and thought if people were to spend some of their time for a run. This would solve a lot of problems around the world. Unfortunately, The Company has faced negativity from their use of labour from sweatshops and has been a representation of labor issues in capitalistic environment (Girion).

Profitability over Humanity

The modern capitalist system and the businesses that are working under it have had philosophy of profitability over humanity. To meet demands and their bottom line they work their workers to the brink of death. These inhumane actions were also present in companies to whom NIKE had outsourced its production to (Nisen). These companies were situated in Vietnam, Korea, china and many more. Workers were treated badly in these companies and were not allowed bathroom breaks so that they do not stop working. In some cases they were even padlocked and trapped within the factories so that production can continue. They are treated more like slaves who work to serve the big man upstairs. These actions of the owners has made working in such companies as a form of modern slavery rather than a choice based employment (Ritzer, and Jurgenson).

Paying what is due:

Profitability in a capitalistic environment is the most important thing to survive. To be profitable a company can either increase its profits or decrease it costs. Most international companies cut cost by outsourcing their work to developing countries. Their labor is cheap and can be paid wages much lower than the ones in countries that they are based in. Nike had such a problem with its manufacturers in Asian countries, where they paid their employees far less compared to the work they had done (Botwinick). In China and Vietnam workers were paid less than two dollars for a day’s work, whereas, in Indonesia were paid even less than that (about one dollar per day). Whereas, according to critics, living standards of an adequate manner require a wage of three dollar a day (Jr.). These wages pale in comparison to what companies like Nike would have to pay in countries they are running in.

Poor Working Conditions:

Having a safe working environment is crucial for the safety of the workers and longevity of the company. Most major international companies under the capitalistic model have outsourced their workforce. This allows them the flexibility of denying any allegation regarding the companies they outsource to. The companies they outsource work to have an unhealthy work environment, which is detrimental for the health of its workers (Larimer). Companies such as Nike’s product production require heavy machinery which produces toxic gases and if there is no proper system in place this could actually result in allot of deaths (Brown et al). Even a report by E&Y found air quality issues and unsafe working conditions at a Nike plant in Vietnam.

Conclusion

The capitalistic model prevalent in this world has allowed corporations such as Nike to let their workers be exploited and not compensated properly. They are seen as tools rather than living breathing human beings.

Q1

Over the course of years, shoe dog shows how Nike (formerly known as Blue Ribbon) went from a domestic seller of shoes who imported its product from Onitsuka in japan to a producer and seller of its own product. This production was then outsourced internationally and took place on a global stage. Labour was sourced internationally and this allowed it to achieve global capitalism (Knight) (answer from page number: 156, 180, 189, 190)

Q2

Nike achieved global capitalism through sheer will and effort but forgot to focus on how its outsourced manufacturers were dealing with their workers. Unlike other companies Nike actually accepted its mistake and worked towards rectifying their mistakes. Phil Knight founder of Nike pledged to increase minimum job hiring age, tighten air quality measures but forgot to compensate for low wages (Knight) (answer from combination of articles given in the attachment)

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